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Department of Health and Family Services

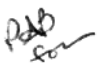
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MEMORANDUM

DATE: March 25, 2004

TO: All Pharmacies, Dispensing Physicians, HMOs, and Blood Banks

FROM: Mark B. Moody, Administrator 
Division of Health Care Financing

SUBJECT Updated Medicaid Pharmacy Handbook

I. Updated Pharmacy Data Tables

The Pharmacy Data Tables section of the Wisconsin Medicaid Pharmacy Handbook is attached. This section is updated and has changes to the following tables:

- Appendix 1 – Numeric Listing of Manufacturers that have signed Rebate Agreements. This list includes a column identifying manufacturers who signed a rebate agreement for SeniorCare.
- Appendix 2 – Less-than-Effective/Identical, Related, or Similar Drugs
- Appendix 3 – Legend Drug Maximum Allowed Cost (MAC) List
- Appendix 4 – Over-the-Counter MAC List
- Appendix 6 – Wisconsin Medicaid Noncovered Drugs – Manufacturers Rebates Refused
- Appendix 7 – Diagnosis Restricted Drugs

II. Providers Should Keep CD-ROM from July 2003

Since this CD-ROM only includes the updated Data Tables section of the Wisconsin Medicaid Pharmacy Handbook, pharmacy providers should keep the July 2003 pharmacy CD-ROM. This assures that you have the entire Pharmacy Handbook, including SeniorCare, the All-Provider Handbook, and the Disposable Medical Supply Handbook.

III. Reimbursement Rate Change

As previously notified in the August 2003 *Wisconsin Medicaid and BadgerCare Update* (2003-142) titled “Wisconsin Medicaid, BadgerCare, and SeniorCare Changes, for Retail

Pharmacies Dispensing Drug Services,” pharmacy reimbursement rates will change effective for dates of service on and after July 1, 2004.

For drug reimbursement rates to which the discounted published average wholesale price (AWP) applies, Medicaid and BadgerCare will reimburse at a rate of AWP-13 percent. The same rate change will apply to the Health Insurance Risk Sharing Plan and the Wisconsin Chronic Disease Program.

SeniorCare reimbursement rates will also change. For drug reimbursement rates to which the discounted published AWP applies, SeniorCare will reimburse AWP minus 13 percent plus 5 percent.

IV. Zavesca® is Diagnosis Restricted

Zavesca® is FDA approved only for treatment of Gaucher’s Disease. Therefore its use is limited to that diagnosis. The ICD-9-CM diagnosis code for Gaucher’s Disease is 2727. In addition, Zavesca® is limited to use by individuals ages 19 through 64.

V. Xolair is Restricted to Age 12 and Over

Since Xolair is indicated for adults and adolescents (12 years of age and above) with moderate-to-severe persistent asthma who have a positive skin test or *in vitro* reactivity to a perennial aeroallergen and whose symptoms are inadequately controlled with inhaled corticosteroids, its use will be limited to individuals over the age of 12.

VI. Additional Copies of Publications

All *Wisconsin Medicaid and BadgerCare Updates*, as well as the Pharmacy Handbook and the All-Provider Handbook, can be downloaded from the Medicaid Web site at dhfs.wisconsin.gov/medicaid/. Additional copies of the handbook may be downloaded from the CD-ROM.

Pharmacies will automatically receive a CD-ROM quarterly, unless they notify Provider Services that they want only a paper copy. Pharmacies may receive either a CD-ROM or a paper copy, but not both.

To receive only paper copies of pharmacy materials, please call the Medicaid Provider Services at (800) 947-9627 or (608) 221-9883.

Please call Medicaid Provider Services with questions about the information in this handbook.